



महाराष्ट्र शासन राजपत्र

असाधारण भाग आठ

वर्ष १०, अंक ३२]

मंगळवार, डिसेंबर १७, २०२४/अग्रहायण २६, शके १९४६

[पृष्ठे १८, किंमत : रुपये २७.००

असाधारण क्रमांक ९१

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधि व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of Article 348 of the Constitution of India, the following translation in English of the Maharashtra Goods and Services Tax (Amendment) Bill, 2024 (L. A. Bill No. XXX of 2024), introduced in the Maharashtra Legislative Assembly on the 17th December 2024, is hereby published under the authority of the Governor.

By order and in the name of the
Governor of Maharashtra,

SATISH WAGHOLE,
Secretary (Legislation)
to Government,
Law and Judiciary Department.

L. A. BILL No. XXX OF 2024.

A BILL

for further to amend the Maharashtra Goods and Services Tax Act, 2017.

WHEREAS both Houses of the State Legislature were not in session;

AND WHEREAS the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Maharashtra Goods and Services Tax Act, 2017, for the purposes hereinafter appearing ; and, therefore, promulgated the Maharashtra Goods and Services Tax (Amendment) Ordinance, 2024, on the 7th October 2024 ;

Mah.
XLIII of
2017.
Mah.
Ord. IX
of 2024.

भाग आठ-९१-१.

एचबी-२१४८-१.

(१)

AND WHEREAS, it is expedient to replace the said Ordinance by an Act of the State Legislature ; it is hereby enacted in the Seventy-fifth Year of the Republic of India as follows :—

Short title and commencement.

1. (1) This Act may be called the Maharashtra Goods and Services Tax (Amendment) Act, 2024.

(2) Section 1 shall be deemed to have come into force on the 7th October 2024.

(3) Save as otherwise provided, remaining sections shall come into force on such date, with prospective or retrospective effect, as the Government may, by notification in the *Official Gazette*, appoint and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

Amendment of section 2 of Mah. XLIII of 2017.

2. In section 2 of the Maharashtra Goods and Services Tax Act, 2017 (hereinafter referred to as "the principal Act"), for clause (61), the following clause shall be substituted, namely :—

Mah. XLIII of 2017.

"(61) "Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, and liable to distribute the input tax credit in respect of such invoices in the manner provided in section 20 ;".

Amendment of section 9 of Mah. XLIII of 2017.

3. In section 9 of the principal Act, in sub-section (1), after the words "alcoholic liquor for human consumption", the words "and un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption" shall be inserted.

Amendment of section 10 of Mah. XLIII of 2017.

4. In section 10 of the principal Act, in sub-section (5), after the words and figures "section 73 or section 74", the words, figures and letter "or section 74A" shall be inserted.

Insertion of section 11A in Mah. XLIII of 2017.

5. After section 11 of the principal Act, the following section shall be inserted, namely :—

“11A. Notwithstanding anything contained in this Act, if the Government is satisfied that,—

(a) a practice was, or is, generally prevalent regarding levy of State tax (including non-levy thereof) on any supply of goods or services or both ; and

(b) such supplies were, or are, liable to,—

(i) State tax, in cases where according to the said practice, State tax was not, or is not being, levied, or

(ii) a higher amount of State tax than what was, or is being, levied, in accordance with the said practice,

the Government may, on the recommendation of the Council, by notification in the *Official Gazette*, direct that the whole of the State tax payable on such supplies, or, as the case may be, the State tax in excess of that payable on such supplies, but for the said practice, shall not be required to be paid in respect of the supplies on which

Power not to recover Goods and Services Tax not levied or short-levied as a result of general practice.

the State tax was not, or is not being levied, or was, or is being, short-levied, in accordance with the said practice.”.

6. In section 13 of the principal Act, in sub-section (3),—

(1) in clause (b), for the words “by the supplier”, the words “by the supplier, in cases where invoice is required to be issued by the supplier; or” shall be substituted;

(2) after clause (b), the following clause shall be inserted, namely :—

“(c) the date of issue of invoice by the recipient, in cases where invoice is to be issued by the recipient.”;

(3) in the first proviso, after the words, brackets and letter “or clause (b)”, the words, brackets and letter “or clause (c)” shall be inserted.

7. In section 16 of the principal Act, after sub-section (4), the following sub-sections shall be added and shall be deemed to have been added with effect from the 1st July 2017, namely :—

Amendment of section 13 of Mah. XLIII of 2017.

Amendment of section 16 of Mah. XLIII of 2017.

“(5) Notwithstanding anything contained in sub-section (4), in respect of an invoice or debit note for supply of goods or services or both pertaining to the Financial Years 2017-18, 2018-19, 2019-20 and 2020-21, the registered person shall be entitled to take input tax credit in any return under section 39 which is filed up to the thirtieth day of November 2021.

(6) Where registration of a registered person is cancelled under section 29 and subsequently the cancellation of registration is revoked by any order, either under section 30 or pursuant to any order made by the Appellate Authority or the Appellate Tribunal or court and where availment of input tax credit in respect of an invoice or debit note was not restricted under sub-section (4) on the date of order of cancellation of registration, the said person shall be entitled to take the input tax credit in respect of such invoice or debit note for supply of goods or services or both, in a return under section 39,—

(i) filed up to thirtieth day of November following the financial year to which such invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier; or

(ii) for the period from the date of cancellation of registration or the effective date of cancellation of registration, as the case may be, till the date of order of revocation of cancellation of registration, where such return is filed within thirty days from the date of order of revocation of cancellation of registration, whichever is later.”.

8. In section 17 of the principal Act, in sub-section (5), in clause (i), for the words and figures “sections 74, 129 and 130”, the words and figures “section 74 in respect of any period upto Financial Year 2023-24” shall be substituted.

Amendment of section 17 of Mah. XLIII of 2017.

9. For section 20 of the principal Act, the following section shall be substituted, namely :—

“20. (1) Any office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or

Substitution of section 20 of Mah. XLIII of 2017.

Manner of distribution of credit by Input Service Distributor.

sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, shall be required to be registered as Input Service Distributor under clause (viii) of section 24 and shall distribute the input tax credit in respect of such invoices.

(2) The Input Service Distributor shall distribute the credit of State tax or integrated tax charged on invoices received by him, including the credit of State or integrated tax in respect of services subject to levy of tax under sub-section (3) or sub-section (4) of section 9 paid by a distinct person registered in the same State as the said Input Service Distributor, in such manner, within such time and subject to such restrictions and conditions as may be prescribed.

(3) The credit of State tax shall be distributed as State tax or integrated tax and integrated tax as integrated tax or State tax, by way of issue of a document containing the amount of input tax credit, in such manner as may be prescribed.”.

Amendment of section 21 of Mah. XLIII of 2017. 10. In section 21 of the principal Act, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.

Amendment of section 30 of Mah. XLIII of 2017. 11. In section 30 of the principal Act, in sub-section (2), after the proviso, the following proviso shall be added, namely :—

“Provided further that, such revocation of cancellation of registration shall be subject to such conditions and restrictions, as may be prescribed.”.

Amendment of section 31 of Mah. XLIII of 2017. 12. In section 31 of the principal Act,—
(a) in sub-section (3), in clause (f), after the words and figure “of section 9 shall”, the words “,within the period as may be prescribed,” shall be inserted;

(b) after clause (g), the following *Explanation* shall be inserted, namely :—

Explanation.— For the purposes of clause (f), the expression “supplier who is not registered” shall include the supplier who is registered solely for the purpose of deduction of tax under section 51.”.

Amendment of section 35 of Mah. XLIII of 2017. 13. In section 35 of the principal Act, in sub-section (6), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.

Amendment of section 39 of Mah. XLIII of 2017. 14. In section 39 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely :—

“(3) Every registered person required to deduct tax at source under section 51 shall electronically furnish a return for every calendar month of the deductions made during the month in such form and manner and within such time as may be prescribed :

Provided that, the said registered person shall furnish a return for every calendar month whether or not any deductions have been made during the said month.”.

Amendment of section 49 of Mah. XLIII of 2017. 15. In section 49 of the principal Act, in sub-section (8), in clause (c), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be added.

16. In section 50 of the principal Act, in sub-section (1), in the proviso, Amendment of section 50 of Mah. XLIII of 2017. after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.

17. In section 51 of the principal Act, in sub-section (7), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted. Amendment of section 51 of Mah. XLIII of 2017.

18. In section 54 of the principal Act,—
(1) in sub-section (3), the second proviso shall be deleted; Amendment of section 54 of Mah. XLIII of 2017.

(2) after sub-section (14) and before the *Explanation*, the following sub-section shall be inserted, namely :—

“(15) Notwithstanding anything contained in this section, no refund of unutilised input tax credit on account of zero rated supply of goods or of integrated tax paid on account of zero rated supply of goods shall be allowed where such zero rated supply of goods is subjected to export duty.”.

19. In section 61 of the principal Act, in sub-section (3), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be added. Amendment of section 61 of Mah. XLIII of 2017.

20. In section 62 of the principal Act, in sub-section (1), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted. Amendment of section 62 of Mah. XLIII of 2017.

21. In section 63 of the principal Act, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted. Amendment of section 63 of Mah. XLIII of 2017.

22. In section 64 of the principal Act, in sub-section (2), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be added. Amendment of section 64 of Mah. XLIII of 2017.

23. In section 65 of the principal Act, in sub-section (7), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be added. Amendment of section 65 of Mah. XLIII of 2017.

24. In section 66 of the principal Act, in sub-section (6), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be added. Amendment of section 66 of Mah. XLIII of 2017.

25. In section 70 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely :—

“(1A) All persons summoned under sub-section (1) shall be bound to attend, either in person or by an authorised representative, as such officer may direct, and the person so appearing shall state the truth during examination or make statements or produce such documents and other things as may be required.”.

26. In section 73 of the principal Act,—
(1) in the marginal note, after the words “Determination of tax”, the words and figures “,pertaining to the period upto Financial Year 2023-24,” shall be inserted; Amendment of section 73 of Mah. XLIII of 2017.

(2) after sub-section (11), the following sub-section shall be added, namely :—

“(12) The provisions of this section shall be applicable for determination of tax pertaining to the period upto Financial Year 2023-24.”.

27. In section 74 of the principal Act,—

(1) in the marginal note, after the words “Determination of tax”, the words and figures “, pertaining to the period upto Financial Year 2023-24,” shall be inserted;

(2) after sub-section (11) and before *Explanation 1*, the following sub-section shall be inserted, namely :—

“(12) The provisions of this section shall be applicable for determination of tax pertaining to the period upto Financial Year 2023-24.”;

(3) *Explanation 2* shall be deleted.

28. After section 74 of the principal Act, the following section shall be inserted, namely :—

“74A. (1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder:

Provided that, no notice shall be issued, if the tax which has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised in a financial year is less than one thousand rupees.

(2) The proper officer shall issue the notice under sub-section (1) within forty-two months from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within forty-two months from the date of erroneous refund.

(3) Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax.

(4) The service of such statement shall be deemed to be service of notice on such person under sub-section (1), subject to the condition that the grounds relied upon for such tax periods other than those covered under sub-section (1) are the same as are mentioned in the earlier notice.

Amendment
of section 74
of Mah. XLIII
of 2017.

Insertion of
section 74A in
Mah. XLIII of
2017.

Determination
of tax not paid
or short paid
or erroneously
refunded or
input tax
credit wrongly
availed or
utilised for
any reason
pertaining to
Financial
Year 2024-25
onward.

(5) The penalty in case where any tax which has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised,—

(i) for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, shall be equivalent to ten per cent. of tax due from such person or ten thousand rupees, whichever is higher;

(ii) for the reason of fraud or any wilful-misstatement or suppression of facts to evade tax shall be equivalent to the tax due from such person.

(6) The proper officer shall, after considering the representation, if any, made by the person chargeable with tax, determine the amount of tax, interest and penalty due from such person and issue an order.

(7) The proper officer shall issue the order under sub-section (6) within twelve months from the date of issuance of notice specified in sub-section (2) :

Provided that, where the proper officer is not able to issue the order within the specified period, the Commissioner, or an officer authorised by the Commissioner senior in rank to the proper officer but not below the rank of Joint Commissioner of State tax, may, having regard to the reasons for delay in issuance of the order under sub-section (6), to be recorded in writing, before the expiry of the specified period, extend the said period further by a maximum of six months.

(8) The person chargeable with tax where any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, may,—

(i) before service of notice under sub-section (1), pay the amount of tax alongwith interest payable under section 50 of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment, and the proper officer, on receipt of such information shall not serve any notice under sub-section (1) or the statement under sub-section (3), as the case may be, in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder;

(ii) pay the said tax alongwith interest payable under section 50 within sixty days of issue of show cause notice, and on doing so, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

(9) The person chargeable with tax, where any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-misstatement or suppression of facts to evade tax, may,—

(i) before service of notice under sub-section (1), pay the amount of tax alongwith interest payable under section 50 and a penalty equivalent to fifteen per cent. of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment, and the proper officer, on receipt of such information, shall not serve any notice under sub-section (1), in respect of the tax so paid or any

penalty payable under the provisions of this Act or the rules made thereunder;

(ii) pay the said tax alongwith interest payable under section 50 and a penalty equivalent to twenty-five per cent. of such tax within sixty days of issue of the notice, and on doing so, all proceedings in respect of the said notice shall be deemed to be concluded;

(iii) pay the tax alongwith interest payable thereon under section 50 and a penalty equivalent to fifty per cent. of such tax within sixty days of communication of the order, and on doing so, all proceedings in respect of the said notice shall be deemed to be concluded.

(10) Where the proper officer is of the opinion that the amount paid under clause (i) of sub-section (8) or clause (i) of sub-section (9) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable.

(11) Notwithstanding anything contained in clause (i) or clause (ii) of sub-section (8), penalty under clause (i) of sub-section (5) shall be payable where any amount of self-assessed tax or any amount collected as tax has not been paid within a period of thirty days from the due date of payment of such tax.

(12) The provisions of this section shall be applicable for determination of tax pertaining to the Financial Year 2024-25 onwards.

Explanation 1.— For the purposes of this section,—

(i) the expression “all proceedings in respect of the said notice” shall not include proceedings under section 132;

(ii) where the notice under the same proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under this section, the proceedings against all the persons liable to pay penalty under sections 122 and 125 are deemed to be concluded.

Explanation 2.— For the purposes of this Act, the expression “suppression” shall mean non-declaration of facts or information which a taxable person is required to declare in the return, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the proper officer.”.

29. In section 75 of the principal Act,—

(1) in sub-section (1), after the word and figures “section 74”, the words, brackets, figures and letter “or sub-sections (2) and (7) of section 74A” shall be inserted;

(2) after sub-section (2), the following sub-section shall be inserted, namely :—

“(2A) Where any Appellate Authority or Appellate Tribunal or court concludes that the penalty under clause (ii) of sub-section (5) of section 74A is not sustainable for the reason that the charges of fraud or any wilful-misstatement or suppression of facts to evade

tax has not been established against the person to whom the notice was issued, the penalty shall be payable by such person, under clause (i) of sub-section (5) of section 74A.”;

(3) for sub-section (10), the following sub-section shall be substituted, namely :—

“(10) The adjudication proceedings shall be deemed to be concluded, if the order is not issued within the period specified in sub-section (10) of section 73 or in sub-section (10) of section 74 or in sub-section (7) of section 74A.”;

(4) in sub-section (11), after the word and figures “section 74”, the words, brackets, figures and letter “or sub-section (7) of section 74A” shall be inserted;

(5) in sub-section (12), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted;

(6) in sub-section (13), after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.

30. In section 104 of the principal Act, in sub-section (1), in the *Explanation*, after the word and figures “section 74”, the words, brackets, figures and letter “or sub-sections (2) and (7) of section 74A” shall be added. Amendment of section 104 of Mah. XLIII of 2017.

31. In section 107 of the principal Act,—

(1) in sub-section (6), in clause (b), for the word “twenty-five crore”, the word “twenty crore” shall be substituted; Amendment of section 107 of Mah. XLIII of 2017.

(2) in sub-section (11), in the second proviso, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be added.

32. In section 109 of the principal Act, after the words “Revisional Authority”, the words “, or for conducting an examination or adjudicating the cases referred to in sub-section (2) of section 171, if so notified under the said section” shall be inserted. Amendment of section 109 of Mah. XLIII of 2017.

33. In section 112 of the principal Act,—

(1) in sub-section (1), after the words “from the date on which the order sought to be appealed against is communicated to the person preferring the appeal”, the words “; or the date, as may be notified by the Government, on the recommendations of the Council, for filing appeal before the Appellate Tribunal under this Act, whichever is later” shall be inserted and shall be deemed to have been inserted with effect from the 1st August 2024; Amendment of section 112 of Mah. XLIII of 2017.

(2) in sub-section (3), after the words “from the date on which the said order has been passed”, the words “; or the date, as may be notified by the Government, on the recommendations of the Council, for the purpose of filing application before the Appellate Tribunal under this Act, whichever is later,” shall be inserted and shall be deemed to have been inserted with effect from the 1st August 2024;

(3) in sub-section (6), after the words, brackets and figure “after the expiry of the period referred to in sub-section (1)”, the words, brackets

and figure “or permit the filing of an application within three months after the expiry of the period referred to in sub-section (3)” shall be inserted;

(4) in sub-section (8), in clause (b),—

(a) for the words “twenty per cent.”, the words “ten per cent.” shall be substituted;

(b) for the words “fifty crore rupees”, the words “twenty crore rupees” shall be substituted.

34. In section 122 of the principal Act, in sub-section (1B), for the words “Any electronic commerce operator who”, the words and figures “Any electronic commerce operator, who is liable to collect tax at source under section 52,” shall be substituted and shall be deemed to have been substituted with effect from the 1st October 2023.

35. After section 122 of the principal Act, the following section shall be inserted, namely :—

Penalty for failure to register certain machines used in manufacture of goods as per special procedure.

“122A. (1) Notwithstanding anything contained in this Act, where any person, who is engaged in the manufacture of goods in respect of which any special procedure relating to registration of machines has been notified under section 148, acts in contravention of the said special procedure, he shall, in addition to any penalty that is paid or is payable by him under Chapter XV or any other provisions of this Chapter, be liable to pay a penalty equal to an amount of one lakh rupees for every machine not so registered.

(2) In addition to the penalty under sub-section (1), every machine not so registered shall be liable for seizure and confiscation :

Provided that, such machine shall not be confiscated where,—

(a) the penalty so imposed is paid; and

(b) the registration of such machine is made in accordance with the special procedure within three days of the receipt of communication of the order of penalty.”

36. In section 127 of the principal Act, after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.

Insertion of section 128A in Mah. XLIII of 2017.

Waiver of interest or penalty or both relating to demands raised under section 73 for certain tax periods.

37. After section 128 of the principal Act, the following section shall be inserted, namely :—

“128A. (1) Notwithstanding anything to the contrary contained in this Act, where any amount of tax is payable by a person chargeable with tax in accordance with,—

(a) a notice issued under sub-section (1) of section 73 or a statement issued under sub-section (3) of section 73, and where no order under sub-section (9) of section 73 has been issued; or

(b) an order passed under sub-section (9) of section 73, and where no order under sub-section (11) of section 107 or sub-section (1) of section 108 has been passed ; or

(c) an order passed under sub-section (11) of section 107 or sub-section (1) of section 108, and where no order under sub-section (1) of section 113 has been passed,

pertaining to the period from 1st July 2017 to 31st March 2020, or a part thereof, and the said person pays the full amount of tax payable as per the notice or statement or the order referred to in clause (a), clause (b) or clause (c), as the case may be, on or before the date, as may be notified by the Government on the recommendations of the Council, no interest under section 50 and penalty under this Act, shall be payable and all the proceedings in respect of the said notice or order or statement, as the case may be, shall be deemed to be concluded, subject to such conditions as may be prescribed :

Provided that, where a notice has been issued under sub-section (1) of section 74, and an order is passed or required to be passed by the proper officer in pursuance of the direction of the Appellate Authority or Appellate Tribunal or a court in accordance with the provisions of sub-section (2) of section 75, the said notice or order shall be considered to be a notice or order, as the case may be, referred to in clause (a) or clause (b) of this sub-section:

Provided further that, the conclusion of the proceedings under this sub-section, in cases where an application is filed under sub-section (3) of section 107 or under sub-section (3) of section 112 or an appeal is filed by an officer of State tax under sub-section (1) of section 117 or under sub-section (1) of section 118 or where any proceedings are initiated under sub-section (1) of section 108, against an order referred to in clause (b) or clause (c) or against the directions of the Appellate Authority or the Appellate Tribunal or the court referred to in the first proviso, shall be subject to the condition that the said person pays the additional amount of tax payable, if any, in accordance with the order of the Appellate Authority or the Appellate Tribunal or the court or the Revisional Authority, as the case may be, within three months from the date of the said order:

Provided also that, where such interest and penalty has already been paid, no refund of the same shall be available.

(2) Nothing contained in sub-section (1) shall be applicable in respect of any amount payable by the person on account of erroneous refund.

(3) Nothing contained in sub-section (1) shall be applicable in respect of cases where an appeal or writ petition filed by the said person is pending before Appellate Authority or Appellate Tribunal or a court, as the case may be, and has not been withdrawn by the said person on or before the date notified under sub-section (1).

(4) Notwithstanding anything contained in this Act, where any amount specified under sub-section (1) has been paid and the proceedings are deemed to be concluded under the said sub-section, no appeal under sub-section (1) of section 107 or sub-section (1) of section 112 shall lie against an order referred to in clause (b) or clause (c) of sub-section (1), as the case may be.”.

38. In section 171 of the principal Act,—

(1) in sub-section (2), the following proviso and *Explanation* shall be added, namely :—

Amendment
of section 171
of Mah. XLIII
of 2017.

“Provided that, the Government may by notification, on the recommendations of the Council, specify the date from which the said Authority shall not accept any request for examination as to whether input tax credits availed by any registered person or the

reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

Explanation.— For the purposes of this sub-section, “request for examination” shall mean the written application filed by an applicant requesting for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.”;

(2) the existing *Explanation* shall be renumbered as *Explanation 1* thereof, and after *Explanation 1* as so renumbered, the following *Explanation* shall be added, namely :—

“*Explanation 2.*— For the purposes of this section, the expression “Authority” shall include the “Appellate Tribunal.”.

Amendment of Schedule III of Mah. XLIII of 2017. **39.** In Schedule III appended to the principal Act, after paragraph 8 and before *Explanation 1*, the following paragraphs shall be added, namely :—

“**9.** Activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in coinsurance agreements, subject to the condition that the lead insurer pays the central tax, the State tax, the Union territory tax and the integrated tax on the entire amount of premium paid by the insured.

10. Services by insurer to the reinsurer for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, subject to the condition that the Central tax, the State tax, the Union territory tax and the integrated tax is paid by the reinsurer on the gross reinsurance premium payable by the insurer to the reinsurer, inclusive of the said ceding commission or the reinsurance commission.”.

No refund of tax paid or input tax credit reversed. **40.** No refund shall be made of all the tax paid or the input tax credit reversed, which would not have been so paid, or not reversed, had section 7 of this Act been in force at all material times.

Repeal of Mah. Ord. IX of 2024 and saving.

41. (1) The Maharashtra Goods and Services Tax (Amendment) Ordinance, 2024, is hereby repealed.

Mah. Ord. IX of 2024.

(2) Notwithstanding such repeal, anything done or any action taken (including any notification or order issued) under the corresponding provisions of the principal Act, as amended by the said Ordinance, shall be deemed to have been done, taken or issued, as the case may be, under the corresponding provisions of the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Various decisions have been taken by the Goods and Services Tax Council in its meeting requiring amendments in Goods and Service Tax Laws. Accordingly, the Central Goods and Services Tax, 2017 (12 of 2017) has been amended by the Parliament by the Finance Act, 2024 (8 of 2024) and the Finance (No. 2) Act, 2024 (15 of 2024). In order to implement the decisions taken by the Goods and Services Tax Council in aforesaid meetings and to maintain uniformity in applicability of the provisions of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017 (Mah. XLIII of 2017), it was expedient to amend the Maharashtra Goods and Services Tax Act, 2017.

2. The amendments to the Maharashtra Goods and Services Tax Act, 2017, *inter alia*, provide for the following, namely :—

- (i) to substitute sub-section (61) of section 2, so as to make Input Service Distributor procedure mandatory for distribution of Input Tax Credit in respect of input services procured by Head Office from third party but attributable to both Head Office and Branch Office or exclusively to one or more Branch Offices;
- (ii) to amend section 9, so as not to levy State tax on un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor for human consumption;
- (iii) to insert section 11A, so as to empower the Government to regularize non-levy or short levy of State tax where it is satisfied that such non-levy or short levy was a result of general practice;
- (iv) to amend sub-section (3) of section 13, so as to specify the time of supply of services in cases where the invoice is required to be issued by the recipient of services in cases of reverse charge supplies;
- (v) to insert sub-section (5) in section 16, so as to carve out an exception to the existing sub-section (4) and to provide that in respect of an invoice or debit note under the said sub-section, for the Financial Years 2017-18, 2018-19, 2019-20 and 2020-21, the registered person shall be entitled to take input tax credit in any return under section 39 which is filed up to the thirtieth day of November 2021;
- (vi) to amend sub-section (5) of section 17, so as to restrict the non-availability of input tax credit in respect of tax paid under section 74 of the said Act only for demands up to Financial Year 2023-24;
- (vii) to insert new proviso in sub-section (2) of section 30, so as to empower the State Government to prescribe conditions and restrictions for revocation of cancellation of registration;
- (viii) to amend sub-section (3) of section 39, so as to mandate the electronic furnishing of return for each month by the registered person required to deduct tax at source, irrespective of whether any deduction has been made in the said month or not;
- (ix) to insert sub-section (1A) in section 70, so as to enable an authorised representative to appear on behalf of the summoned person before the proper officer in compliance of summons issued by the said officer;

(x) to insert sub-section (12) in section 73, so as to restrict the applicability of the said section for determination of tax pertaining to the period upto Financial Year 2023-24;

(xi) to insert sub-section (12) in section 74, so as to restrict the applicability of the said section for determination of tax pertaining to the period upto Financial Year 2023-24;

(xii) to insert section 74A, so as to provide for determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason pertaining to the Financial Year 2024-25 onwards;

(xiii) to amend sub-section (6) of section 107, so as to reduce the maximum amount of pre-deposit for filing appeal before the Appellate Authority from rupees twenty-five crore to rupees twenty crore in State tax;

(xiv) to amend section 109, so as to empower the Government to notify types of cases that shall be heard by the Appellate Tribunal ;

(xv) to amend sub-sections (1) and (3) of section 112, so as to empower the Government to notify the date for filing appeal before the Appellate Tribunal and provide a revised time limit for filing appeals or application before the Appellate Tribunal;

(xvi) to amend sub-section (8) of section 112, so as to reduce the maximum amount of pre-deposit for filing appeals before the Appellate Tribunal from the existing twenty per cent. to ten per cent. of the tax in dispute and also reduce the maximum amount payable as pre-deposit from rupees fifty crore to rupees twenty crore in State tax;

(xvii) to amend sub-section (1B) of section 122, so as to restrict the applicability of the said sub-section to electronic commerce operators, who are required to collect tax at source under section 52 of the said Act.

(xviii) to insert section 122A, so as to provide the provision of penalty of Rs. One lakh for any machine not so registered for acting in contravention of the special procedure notified under section 148;

(xix) to insert section 128A, to provide for a conditional waiver of interest and penalty in respect of demand notices issued under section 73 of the said Act for the Financial Years 2017-18, 2018-19 and 2019-20, except the demands notices in respect of erroneous refund;

(xx) to amend sub-section (2) of section 171, so as to empower the Government to notify the date from which the Authority under the said section shall not accept any application for anti-profiteering cases;

(xxi) to insert Paragraphs 9 and 10 in Schedule III;

(xxii) to amend sub-section (5) of section 10, section 21, sub-section (6) of section 35, sub-section (8) of section 49, sub-section (1) of section 50, sub-section (7) of section 51, sub-section (3) of section 61, sub-section (1) of section 62, section 63, sub-section (2) of section 64, sub-section (7) of section 65, sub-section (6) of section 66, section 75, sub-section (1) of section 104, sub-section (11) of section 107 and section 127, so as to incorporate a reference to the proposed new section 74A.

3. As both Houses of the State Legislature were not in session and the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Maharashtra Goods and Services Tax Act, 2017, for the purposes aforesaid, the Maharashtra Goods and Services Tax (Amendment) Ordinance, 2024 (Mah. Ord. IX of 2024), was promulgated by the Governor of Maharashtra on the 7th October 2024.

4. The Bill is intended to replace the said Ordinance by an Act of the State Legislature.

Nagpur,

DEVENDRA FADNAVIS,

Dated the 15th December, 2024.

Chief Minister.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The Bill involves the following proposals for delegation of legislative power, namely :—

Clause 1 (3).— Under this clause, power is taken to the State Government, to bring into force the remaining sections of the Act on such date, with prospective or retrospective effect, as the State Government may, by notification in the *Official Gazette*, appoint and different dates may be appointed for different provisions of this Act.

Clause 5.— Under this clause, which seeks to insert a new section 11A in the said Act, power is taken to the State Government, to direct that State tax on certain goods or services if there has been a common practice of not levying the tax or levying a lower amount than required shall not be recover.

Clause 9.— Under this clause, which seeks to substitute section 20 of the said Act, power is taken to the State Government,—

(i) in sub-clause (2) to prescribe the manner, time and restrictions and conditions for distribution of credit of State tax or integrated tax charged on invoices received by the Input Service Distributor ;

(ii) in sub-clause (3) to prescribe the manner of distribution of the credit of State tax or integrated tax charged on invoices received by Input Service Distributor.

Clause 11.— Under this clause, which seeks to add proviso to sub-section (2) of section 30 of the said Act, power is taken to the State Government, to prescribe the conditions and restrictions for revocation of cancellation of registration.

Clause 12.— Under this clause, which seeks to amend section 31 of the said Act, power is taken to the State Government, to prescribe a period for a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 to issue an invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or services or both.

Clause 14.— Under this clause, which seeks to substitute sub-section (3) of section 39 of the said Act, power is taken to the State Government, to prescribe the form, manner and time for furnishing electronically return by registered person who deduct tax at source under section 51.

Clause 33.— Under this clause, which seeks to amend section 112 of the said Act, power is taken to the State Government, to notify the date for filing appeal before the Appellate Tribunal.

Clause 37.— Under this clause, which seeks to insert a new section 128A in the said Act, power is taken to the State Government, to notify the date for waiver of interest or penalty or both where a person pays the full amount of tax due as specified in certain notices or orders, as the case may be, prescribe the conditions for concluding the proceeding.

Clause 38.— Under this clause, which seeks to amend sub-section (2) of section 171 of the said Act, power is taken to the State Government, specify the date from which the Authority shall not accept any request for examination of input tax credit.

2. The above-mentioned proposals for delegation of legislative power are of normal character.

FINANCIAL MEMORANDUM

In order to implement the decisions taken by the Goods and Services Tax Council and to maintain uniformity in applicability of the provisions of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017 (Mah. XLIII of 2017), certain amendments are made in various sections of the Maharashtra Goods and Services Tax Act, 2017 (Mah. XLIII of 2017).

There is no provision in the Bill which would involve the recurring or non-recurring expenditure from the Consolidated Fund of the State on its enactment as an Act of the State Legislature.

GOVERNOR'S RECOMMENDATION UNDER ARTICLE 207 OF THE
CONSTITUTION OF INDIA

(Copy of Government of Maharashtra Order, Law and Judiciary Department)

In exercise of the power conferred upon him by clause (1) of Article 207 of the Constitution of India, the Governor of Maharashtra is pleased to recommend to the Maharashtra Legislative Assembly, the Introduction of the Maharashtra Goods and Service Tax (Amendment) Bill, 2024.